

The complaint

Mr L complains that Clydesdale Bank Plc trading as Virgin Money failed to intervene when he was suffering from a gambling addiction.

What happened

Mr L had a credit card with Virgin Money. From 2022 onwards Mr L used the account to make high value payments through an online payment system to an account he held with another business. He also made payments to an online marketplace. He says that he was using these funds to gamble. He thinks Virgin Money should have stepped in to prevent this.

Our investigator looked at this and didn't think the complaint should be upheld.

Mr L doesn't agree. The complaint has been referred to me to decide.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

The terms and conditions that applied to Mr L's account state that he must not use the card for a gambling transaction or to trade in cryptocurrencies. Here, Mr L was transferring funds to another account – and then, having transferred the funds through further accounts, used the funds to purchase cryptocurrency and to gamble. He also used the card to purchase vouchers at an online marketplace which he also used to gamble.

I've thought about this. Based on what I've seen, I can't say Virgin Money ought to have realised these payments were for gambling. Mr L went to some lengths to disguise what he was doing. It's possible this is because he knew that gambling and cryptocurrency payments were prohibited by the applicable terms and conditions. In any event, as far as Virgin Money could tell these payments were to a major online payment system and to an online marketplace. The account was being well managed; there were no indications Mr L was experiencing financial difficulties.

Mr L has told us repaying the credit card using money he'd stolen from his employer. Based on what he's told us, he was using the credit card to move the funds. It wouldn't be fair for me to tell Virgin Money to pay Mr L compensation for things that resulted from his own criminal conduct. This also means I'm not satisfied that even if Virgin Money had asked Mr L about the transactions on his account that he'd have disclosed his gambling or other vulnerability – or that he'd have told it the true source of the funds. I'm mindful that when another business questioned Mr L about the source of his funds, he told them it was from the sale of a business.

I've considered Mr L's further comments. He's referred to Virgin Money's wider legal and regulatory obligations to help vulnerable customers, to prevent foreseeable harm, and to prevent money laundering. But while I recognise this will be disappointing to Mr L, this doesn't change my conclusion. I am not the regulator – it's not my role to supervise Virgin

Money or enforce compliance with its legal and regulatory obligations. My role is to determine Mr L's complaint against Virgin Money, based on the circumstances of his case. Given what I've said above, even if I thought Virgin Money could have done more, it wouldn't be appropriate to tell it do to more to put things right. As such, it's not necessary for me to reach wider conclusions about Virgin Money's compliance with these regulatory obligations as this won't affect the outcome of Mr L's complaint.

My final decision

I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 8 April 2026.

Rebecca Hardman
Ombudsman